

LRB or Bill No./Adm. Rule No.

LRB 0190/1 AB 276

Amendment No. if Applicable

FISCAL ESTIMATE
DOA-2048 N(R10/94)

- ORIGINAL
- UPDATED
- CORRECTED
- SUPPLEMENTAL

Subject
special registration plates associated with Ducks Unlimited, Inc., and making an appropriation

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

- Increase Existing Appropriation
- Increase Existing Revenues
- Decrease Existing Appropriation
- Decrease Existing Revenues
- Create New Appropriation

Decrease Costs

Local: No local government costs

- 1. Increase Costs
 - Permissive
 - Mandatory
- 2. Decrease Costs
 - Permissive
 - Mandatory

- 3. Increase Revenues
 - Permissive
 - Mandatory
- 4. Decrease Revenues
 - Permissive
 - Mandatory

5. Types of Local Governmental Units Affected:
- Towns
 - Villages
 - Cities
 - Counties
 - Others _____
 - School Districts
 - WTCS Districts

Fund Sources Affected

- GPR
- FED
- PRO
- PRS
- SEG
- SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

This bill creates a special license plate for persons interested in expressing support for Ducks Unlimited, Inc. Contributions from the sale of these plates would be transferred from the Department of Natural Resources for certain purposes.

The Department of Transportation would incur a one-time cost of about \$29,100 for data processing modifications. DOT staff time for plate design (26 staff days) would require \$5700 in salary and fringe benefits. Total one-time cost would be \$34,800, which would be reimbursed from first year plate sales.

The bill allows Ducks Unlimited to reserve up to 350 personalized plate messages. While the bill allows these messages despite already existing plate numbers, DOT cannot issue any personalized plate messages that duplicate already issued plate numbers of any plate type. DOT has a procedure for individuals to reserve personalized plate messages. Ducks Unlimited would submit requests for personalized plate messages, plus a \$15 fee for each plate message reserved (this fee is then later used as the issuance fee when registration application is made). DOT staff check to see whether the plate number is available and if it is not offensive or misleading. If the plate may be issued, DOT staff would reserve the plate number, which remains reserved for 2 years.

Staff time to reserve 350 plate numbers would be about 60 hours, at a cost of \$1300 in salary and fringe benefits. This is based on the approximate ratio that to obtain 350 acceptable personalized plate messages, an additional 1000 plate messages must be checked. Ducks Unlimited would submit 350 X \$15, or \$5250, to reserve 350 plate numbers. At the time that any individual wishes to obtain the personalized plate with one of the reserved plate messages, the individual would obtain a release from Ducks Unlimited for the plate message, and would not need to pay DOT the \$15 issuance fee. However, in subsequent years, the \$15 personalized plate fee would apply to the individual's plate, since it is a personalized plate.

Similar to Endangered Resources plate (about 13,000 issued in 1995, 8,000 in 1996, 5500 in 1997, and 3800 in 1998), we estimate that about 10,000 Ducks Unlimited plates might be sold the first year or two, and then decline to perhaps 3,000 per year after that.

DOT cost to issue special plates includes staff cost (both permanent and overtime cost), plate cost (\$5.85 per set), sticker cost, and postage cost. We estimate the cost to issue special plates by comparing the cost to issue special plates with the cost of alternative transactions. We estimate that about 20% of special group plate transactions would be in lieu of obtaining a first-time plate; about 70% would be in lieu of obtaining merely a renewal; and about 10% would be obtained at some other time during the year. Our current cost to issue special group plates is a weighted average of slightly more than \$14 per set of plates issued – thus the issuance fee of \$15.

If 10,000 plates were sold in the first year, this would result in an estimated DOT issuance cost of \$140,000 which includes .7FTE permanent position (for on-going workload) and overtime (for initial workload). In addition, DOT would incur \$1300 in overtime cost to reserve 350 personalized plates. Total DOT cost in the first year of plate sales would be \$141,300.

DOT would receive \$15 per plate set sold, or \$150,000 in revenue, in the first year. This includes the \$15 fee which Ducks Unlimited would submit to DOT to reserve 350 personalized plate messages, because the subsequent purchasers would not need to submit to DOT a second \$15 issuance fee.

If 10,000 plates were sold in the first year, this would generate contributions to Ducks Unlimited of \$25 X 10,000 or \$250,000. The first year, \$34,800 would be given to DOT to offset one-time DOT cost.

Long-Range Fiscal Implications

After the first one or two years, sales would decline. Costs and contributions would also decline.

Agency/Prepared by: (Name & Phone No.) Transportation/Carson P. Frazier, 266-7857	Authorized Signature/Telephone No.  266-2233	Date 2/16/99
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FISCAL ESTIMATE WORKSHEET

1997 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R10/94)

ORIGINAL UPDATED
 CORRECTED
SUPPLEMENTAL

LRB or Bill No./Adm. Rule No. LRB 0190/1 AB 276	Amendment No.
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Subject
special registration plates associated with Ducks Unlimited, Inc.

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
One-time cost to DOT of \$34,800 for data processing modifications and plate design, which would be reimbursed from first-year sales.

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$ 77,700	\$ -
(FTE Position Changes)	(.7 FTE)	(- FTE)
State Operations - Other Costs	63,600	-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ 141,300	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S	141,300	-
III. State Revenues -	Increased Rev.	Decreased Rev.
Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S	150,000	-
TOTAL State Revenues	\$ 150,000	\$ -

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ 141,300	\$
NET CHANGE IN REVENUES	\$ 150,000	\$

Agency/Prepared by: (Name & Phone No.) Transportation/Carson P. Frazier, 266-7857	Authorized Signature/Telephone No. <i>Carson P. Frazier</i> 266-2233	Date 2/16/99
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